

carriers the needed checklist items on reasonable terms and conditions. Closer examination of the individual offerings confirms that this is the case.

1. Checklist Item (i): Interconnection

The first requirement of full-scale entry by facilities-based CLECs in Oklahoma is the ability to interconnect with Southwestern Bell's facilities so that calls can pass between the two carriers' networks. See Elizondo Aff. ¶¶ 5-14. Southwestern Bell has interconnected with CLECs in Oklahoma in accordance with checklist item (i), 47 U.S.C. § 271(c)(2)(B)(i), thereby giving CLECs the access to Southwestern Bell's network they require to compete.

Southwestern Bell's interconnection agreements with Brooks and other carriers (any of which could be adopted by Brooks pursuant to 47 U.S.C. § 252(i)), as well as Southwestern Bell's effective STC, establish four standard methods of interconnection: mid-span fiber interconnection, SONET-based interconnection, physical collocation, and virtual collocation. Deere Aff. ¶ 9. Each of these interconnection arrangements is available at the line side or trunk side of the local switch, the trunk connection points of a tandem switch, central office cross-connect points, out-of-band signaling transfer points, and points of access to UNEs. Id. ¶¶ 13-14.

Mid-span fiber interconnection is available at any mutually agreeable, economically and technically feasible point between a CLEC's premises and a Southwestern Bell tandem or end office. Id. ¶¶ 10-14. It may be used to provide interoffice trunking for originating and terminating calls between the two networks or for transit of calls to or from a third party via Southwestern Bell's tandem switch. Id. ¶ 11.

Physical collocation of CLECs' equipment in Southwestern Bell buildings is available wherever space permits, on a first-come, first-served basis. Deere Aff. ¶¶ 15-17. Any equipment used for interconnection with Southwestern Bell or for access to UNEs may be located in a CLEC's secured collocation space, with the CLEC having responsibility for installation, operation, and maintenance of their own equipment. Auinbauh Aff. ¶ 20 & Sched. 5. In addition, collocated equipment may be used for interconnection with other collocating carriers in the same central office. Id.

CLECs in Oklahoma and elsewhere are successfully taking advantage of Southwestern Bell's physical collocation offerings. Five CLECs have been provided with a total of 15 collocation spaces occupying 2900 square feet in 11 different Southwestern Bell central offices in Oklahoma. Deere Aff. ¶ 22. These arrangements give the facilities-based CLECs the interconnection they need to compete with Southwestern Bell in its most important local market areas. The 11 offices targeted by the CLECs account for 47 percent of Southwestern Bell's total access lines and more than half of Southwestern Bell's total revenues in Oklahoma City and Tulsa. Elizondo Aff. ¶ 54. Throughout Southwestern Bell's five-state region, 40 physical collocation arrangements had been installed and delivered to CLECs for their use as of December 31, 1997. Auinbauh Aff. Sched. 4.

The terms of collocation arrangements are comprehensively spelled out not only in Southwestern Bell's carrier-specific interconnection agreements and STC, but also in Southwestern Bell's Interconnectors' Technical Publication for Physical Collocation publication, which is being supplied to the Commission as part of this application. See Auinbauh Aff.

Sched. 6. As explained in the Affidavit of Michael C. Auinbauh, all requesting carriers who seek to negotiate a physical collocation agreement are provided copies of Southwestern Bell's Interconnectors' Technical Publication for Physical Collocation as well as a model collocation agreement that addresses such details as equipment standards, insurance requirements, billing, and liability issues. Id. ¶¶ 18-21 & Sched. 5 (standard agreement). Both of these documents are periodically updated to reflect CLECs' evolving requirements. Id. ¶ 21. Standardized terms are given so that potential collocators can make their requests with as much certainty as possible given the inherently customized nature of collocation arrangements. See id. ¶ 18.

Barring exceptional circumstances such as a submission of a large number of collocation requests on a single day, Southwestern Bell provides CLECs with estimated price quotations and estimated completion intervals within 35 business days of receiving complete collocation applications. Id. ¶ 23. To date, Southwestern Bell has responded to all requests for quotations in Oklahoma within 35 days. Id. ¶ 25. In addition, to address the FCC's concern for minimizing "uncertainty" about collocation costs and to give CLECs assurance of nondiscriminatory treatment, CLECs seeking collocation will have access to prior price quotes for other collocation jobs in Oklahoma. Id. ¶ 44; see South Carolina Order ¶ 204.

The completion interval quoted by Southwestern Bell in Oklahoma is typically 90 days or less, although it may be shorter or longer depending upon particular circumstances relating to the request. Auinbauh Aff. ¶ 24. The quote is valid for up to 65 days, during which time the CLEC may discuss modifications to the proposal with Southwestern Bell in advance of placing

its order. Id. ¶ 27. Southwestern Bell has completed physical collocation build-outs in Oklahoma in an average time of 88 days. Id. ¶ 34.

Virtual collocation and similar SONET-based interconnection arrangements are offered where space for physical collocation is not available, or at the CLEC's option. See id. ¶¶ 45-48; Deere Aff. ¶ 23. In Oklahoma, Southwestern Bell has completed three virtual collocation arrangements on behalf of CLECs. Auinbauh Aff. ¶ 49. Southwestern Bell has completed 53 virtual collocation jobs throughout SWBT's five-state region. Id. Sched. 4.

In addition to Southwestern Bell's standard offerings, CLECs may request specially tailored interconnection arrangements through the Bona Fide Request ("BFR") process. Deere Aff. ¶¶ 14, 56-59. This process, described for example in section 2.13 of Appendix UNE to STC, allows CLECs to request modifications to existing arrangements as well as additional arrangements. Southwestern Bell will analyze the technical feasibility of the request and prepare a preliminary report for the requesting carrier within 30 days of receiving the request. Deere Aff. ¶ 57. If a CLEC authorizes further development, Southwestern Bell will negotiate a schedule for arriving at price and implementation terms, which generally will not extend beyond 90 days from receiving the request. Id. If the form of interconnection requested by the CLEC has already been provided to another CLEC (or the same CLEC), Southwestern Bell will compress this schedule and furnish a price quote within 10 days of its receipt of the request. Id. The CLEC may cancel its request at any time but remains responsible for Southwestern Bell's reasonable development costs incurred up to cancellation. STC App. UNE § 2.9.2.6.

Interconnection trunking arrangements from a CLEC to Southwestern Bell (for traffic originated by the CLEC), and from Southwestern Bell to a CLEC (for traffic terminated over the CLEC's network), are discussed in the Affidavit of William C. Deere. Deere Aff. ¶¶ 29-37. All trunk forecasting and servicing for interconnection trunk groups is based upon the same industry-standard objectives that Southwestern Bell uses for its own trunk groups. Id. ¶ 35. Southwestern Bell also uses standard Bellcore trunk traffic engineering methods to ensure that interconnection trunking is managed in the same manner as trunking for Southwestern Bell's own local services. Id. ¶ 37.

Southwestern Bell's ability to supply trunks for CLECs to interconnect their network facilities with Southwestern Bell's network in Oklahoma is well-demonstrated. In Oklahoma, Southwestern Bell has furnished more than 6200 trunks for CLECs, and has furnished 65,000 trunks in the five SWBT states. Auinbauh Aff. Sched. 4.

In order to ensure equal quality, interconnection with CLECs will be accomplished using the same facilities, interfaces, technical criteria, and service standards as Southwestern Bell uses for its own internal operations. Deere Aff. ¶ 27. Southwestern Bell also has committed to extensive performance monitoring of its interconnection trunking arrangements. While these performance measurements are discussed in Part II(D), below, it should be noted that the data that are already available confirm that Southwestern Bell is successfully furnishing interconnection on a nondiscriminatory basis. During the fourth quarter of 1997, the average blocking rate for Southwestern Bell's own trunk groups in Oklahoma was 0.27 percent, whereas the average blocking rate for CLEC trunk groups was 0.03 percent. Id.

Southwestern Bell's STC and interconnection agreements ensure that CLECs can obtain interconnection rates that are cost-based as determined by the OCC. Section 252(d) reserves to the states pricing authority over local interconnection, unbundled access, resale, and transport and termination of traffic. "[T]he FCC has no valid pricing authority over these areas of new localized competition." Iowa Utils. Bd. v. FCC, 120 F.3d 753, 799 (8th Cir. 1997), cert. granted, Nos. 97-826, 97-829, 97-830, 97-831, 97-1075, 97-1087, 97-1099, 97-1141 (Jan. 26, 1998). The checklist, in turn, requires that interconnection pricing comply with the requirements of sections 251(c)(2) and 252(d)(1). 47 U.S.C. § 271(c)(2)(B)(i). For this reason, the United States Court of Appeals for the Eighth Circuit has expressly forbidden the FCC from imposing federal pricing standards in section 271 proceedings. See Order on Motions for Enforcement of the Mandate, Iowa Utils. Bd. v. FCC, No. 96-3321, slip. op. at 6 (Jan. 22, 1998) ("The FCC cannot do in . . . a ruling on a section 271 application that which we have expressly forbidden it from doing in its rule-making procedure."); Writ of Mandamus, Iowa Utils. Bd. v. FCC, No. 96-3321 (Jan. 22, 1998).

Regardless, in carrying out its pricing responsibilities under the 1996 Act, the OCC has adopted pricing rules that are consistent with the FCC's vacated rules. The OCC has required incumbent LECs to provide in arbitration proceedings long-run incremental cost studies and studies identifying common costs for interconnection. Cleek Aff. ¶ 20. In addition, the OCC has opened a docket to establish long-term rates for interconnection using the OCC's forward-looking methodology. Id. Southwestern Bell has submitted cost studies and geographically deaveraged prices for interconnection, which were developed using TELRIC methodologies in

accordance with the OCC's requirements. Id. ¶¶ 22-25. The cost methodology employed by Southwestern Bell is discussed in the Affidavit of J. Michael Moore. It should be noted that while the prices proposed by Southwestern Bell will be subject to review during OCC hearings commencing on March 9, 1998, all parties to the OCC proceeding — including the OCC staff, AT&T, Cox, Brooks, the Oklahoma Attorney General, and others — have agreed to use Southwestern Bell's TELRIC methodologies. Cleek Aff. ¶¶ 20, 22-25.

Pending completion of the interconnection pricing docket, and consistent with the FCC's recognition that interim rates are a practical necessity, see Local Interconnection Order, 11 FCC Rcd 15507, ¶ 22, 15883, ¶ 767, Southwestern Bell included in its STC rates that have been specifically approved by the OCC as cost-based or were developed through similar cost-based methodologies. Cleek Aff. ¶¶ 26-29; see Cause No. PUD 960000218, Order 407704, at 4, adopting the November 13, 1996 Report and Recommendations, at 20 (App. D, Tab ____). The rates are subject to a true-up once new rates have been set in the OCC's interconnection pricing docket, thus guaranteeing that CLECs will not pay more than the OCC-approved "permanent" rates for any local facilities and services taken under the STC. Id. ¶ 31.

CLECs such as Brooks may avail themselves of the STC's provisions. In addition, Southwestern Bell's OCC-approved interconnection agreements contain relevant provisions independently negotiated by the parties. For instance, Southwestern Bell's agreement with Brooks contains rates negotiated prior to the AT&T arbitration that are in most cases the same as or lower than the rates provided for in the STC in Oklahoma. See Brooks Agreement § III, and Price Schedule. The Brooks rates and terms are available to other CLECs on a

nondiscriminatory basis under section 252(i) of the Communications Act, OCC rules (see Oklahoma Administration Code ("OAC") § 165:55-17-13(b)), or carrier-specific MFN provisions. In addition, the Brooks Agreement itself contains an MFN clause that requires Southwestern Bell to make available to Brooks either all the terms Southwestern Bell makes available to another CLEC pursuant to an OCC-approved interconnection agreement, or specific provisions of an OCC-approved agreement that relate to interconnection rates (or other specified matters including UNEs, resale, collocation, number portability, access to rights-of-way, cellular traffic, white pages, operator services, or directory assistance). Brooks Agreement § XXIV. Thus, Brooks also could invoke the rates of the Sprint Agreement, for example, which are the same as those found in Southwestern Bell's STC and are consistent with the OCC's Order in the AT&T arbitration. See Sprint Agreement Attach. 6, Appendix Pricing—UNE. Dobson's agreement contains a similar MFN clause. Dobson Agreement § 32.1.

2. Checklist Item (iii): Nondiscriminatory Access to Poles, Ducts, Conduits, and Rights-of-Way

Facilities-based CLECs in Oklahoma also may want to utilize poles, ducts, conduits, and rights-of-way that Southwestern Bell owns or controls. This allows the CLECs to reach the same customers as Southwestern Bell with less inconvenience and at lower cost than if they had to negotiate with property owners as Southwestern Bell has done over many years. To that end, section 271(c)(2)(B)(iii) directs Southwestern Bell to provide nondiscriminatory access at just and reasonable rates in accordance with the requirements of section 224 of the Communications Act. Southwestern Bell has provided such access to telecommunications carriers and cable television systems since long before enactment of the 1996 Act, and it continues to do so on

behalf of CLECs. See generally Hearst Aff. Southwestern Bell thus provides access to poles, ducts, conduits, and rights-of-way in accordance with checklist item (iii).

Southwestern Bell is currently furnishing telecommunications carriers (including CLECs, interexchange carriers, cable companies, and other competitors) with access to approximately 38,000 duct-feet (or seven miles) of conduit space and 114,000 poles in the State of Oklahoma alone. Hearst Aff. ¶ 12. Nearly 400,000 feet of Southwestern Bell conduit space and almost one million pole attachments have been furnished in Southwestern Bell's five states. Auinbauh Aff. Sched. 4. Such access is therefore "business as usual." See Hearst Aff. ¶ 5 (practices and procedures in place for approximately 20 years). The procedures and methods by which Southwestern Bell provides nondiscriminatory access to poles, ducts, conduits, and rights-of-way are found in, among other places, Appendix POLE to the STC. As described in the accompanying Affidavit of James Hearst, these procedures meet all statutory and Commission requirements.

The pricing rules governing this access were established by the FCC. See Report and Order, Amendment of Rules and Policies Governing the Attachment of Cable Television Hardware to Utility Poles, 2 FCC Rcd 4387 (1987), clarified, 4 FCC Rcd 468 (1989). These rules require LECs to charge rates determined under the FCC's formula, established by the relevant state authority, or set through negotiations with cable operators. See Hearst Aff. ¶ 35 (discussing rates); 2 FCC Rcd at 4387, ¶ 2, 4396-97, ¶ 71; 4 FCC Rcd at 472, ¶ 39. In accordance with these permitted procedures, Southwestern Bell's STC adopts rates that were negotiated with cable operators or ordered by the OCC. Hearst Aff. ¶ 35.

Beyond these generally applicable provisions, Southwestern Bell has bound itself contractually to make available to CLECs such as Brooks nondiscriminatory access to poles, ducts, conduits, and rights-of-way in accordance with the provisions of section 224. See Brooks Agreement § VII. By virtue of their MFN clauses, these carriers are also able to obtain the rates available through any of Southwestern Bell's OCC-approved agreements.

3. Checklist Item (vii): Nondiscriminatory Access to 911, E911, Directory Assistance, and Operator Call Completion Services

Southwestern Bell satisfies as well the requirements of checklist item (vii). A CLEC that has its own switch(es) and wires, is interconnected with Southwestern Bell, and has access to Southwestern Bell's poles, ducts, conduits, and rights-of-way may, in addition, look to Southwestern Bell to provide ancillary services that are associated with being a full-scale local telephone company. In particular, competitive access providers and other new entrants may not have experience providing emergency, directory assistance ("DA"), and operator call completion services, and it may not be economically feasible for the CLEC to provide these services without assistance from the incumbent. Again, Southwestern Bell's offerings are ready, well-tested, and waiting for CLECs that want them, consistent with the checklist. See 47 U.S.C.

§ 271(c)(2)(B)(vii).

Southwestern Bell provides CLEC customers and Southwestern Bell's own customers access to the type of 911 service selected by the appropriate government officials in an identical manner. Deere Aff. ¶ 115; see generally, e.g., Brooks Agreement § VI.A & App. 911. CLECs may sell access to Southwestern Bell's 911 service to the governmental body, or they may

interconnect to Southwestern Bell's existing service arrangement at the government's request.

Id.

For E911 service, Southwestern Bell provides and maintains dedicated E911 circuits.

Deere Aff. ¶ 117. Southwestern Bell has installed eighteen 911 trunks to serve CLECs in Oklahoma and has furnished a total of eighty-eight 911 trunks on behalf of CLECs in SWBT's region. Auinbauh Aff. Sched. 4. Because Southwestern Bell does not have access to the necessary calling and blockage data, CLECs must assume responsibility for determining the proper number of E911 trunks. Deere Aff. ¶ 117.

Customer data for 911 services are stored in several databases known collectively as the "911 database." These are the Master Street Address Guide, the Selective Routing database, and the Automatic Location Identifier database. Id. ¶¶ 119-123. Southwestern Bell has procedures in place that protect the confidentiality of the customer information in the 911 database. Id. ¶ 126. Southwestern Bell furnishes all necessary street address information for the exchanges or communities where the CLEC operates and provides the CLEC with all documentation needed to operate the E911 system and download and maintain their own end-user records. Id. ¶ 119. Southwestern Bell also uses the same procedures and personnel to detect and correct errors in the 911 database, regardless of whether the error relates to a Southwestern Bell end-user customer or a CLEC customer. Id. ¶ 127; see Dysart Aff. ¶ 131. Statistical reports routinely produced by Southwestern Bell show that these nondiscriminatory procedures have yielded comparable error percentages for CLECs and Southwestern Bell (although error rates for CLEC customers'

information are more variable from month to month given the lower volume of information).

Deere Aff. ¶ 130.

Three CLECs in Oklahoma are utilizing Southwestern Bell's 911 service and have the ability to enter customer data into the 911 database and to receive Southwestern Bell's reports on database accuracy. Id. ¶ 131.

Southwestern Bell's DA offerings allow CLECs (including facilities-based carriers as well as resellers) to obtain nondiscriminatory access to DA, DA call completion, call branding, and call rating services. See Keener Aff. ¶ 9. Nine CLECs in Oklahoma currently are utilizing Southwestern Bell's DA offerings. Id. In addition, Southwestern Bell offers CLECs that provide their own DA services the opportunity to license Southwestern Bell directory listings through a reciprocal arrangement, or to access the same directory database that Southwestern Bell maintains for its DA operators. Id. ¶¶ 11-12. Three CLECs have negotiated terms for using Southwestern Bell's directory listing service in Oklahoma. Id. ¶ 12. Although the Direct Access to DA Database service has been tested successfully, no CLEC has taken Southwestern Bell up on this offer. Id. ¶ 11.

Southwestern Bell's operator call completion services include fully and semi-automated call processing, operator-assisted call processing, line status verification, busy line interrupt, operator transfer service, and rate information. Keener Aff. ¶ 15; see STC App. OS; Brooks Agreement § VI.D, F & Apps. DA & OS. While fully automated call processing services are billed on a per-call basis, operator assistance is billed on a work-second basis. Keener Aff. ¶ 16.

Southwestern Bell provides call completion services to eight resellers in Oklahoma and 97 resellers in SWBT's service area. Id. ¶ 15.

If a CLEC wishes, Southwestern Bell will brand its DA and operator call completion services with the CLEC's name for a cost-based charge. Keener Aff. ¶¶ 17-21. Eighteen CLECs in SWBT's five states are utilizing this service. Id. ¶ 19.

Southwestern Bell has furnished 70 DA and operator services trunks to allow CLECs to utilize these services in Oklahoma; 674 such trunks have been furnished in SWBT's five-state service area. Auinbauh Aff. Sched. 4.

4. Checklist Item (viii): White Pages Directory Listings

Having signed up local customers, a competitor may want those customers to be listed in the same White Pages directory as Southwestern Bell's customers, so that they can be located easily by callers. CLECs can obtain this service under Southwestern Bell's STC and OCC-approved agreements. Southwestern Bell therefore satisfies checklist item (viii).

Southwestern Bell makes available White Pages listings for the end users of both resellers and facilities-based carriers, as if they were SWBT end users. Auinbauh Aff. ¶¶ 57-59; see also STC § VI.C & App. WP; Brooks Agreement § VI.C & App. WP. These listings are maintained in Southwestern Bell's White Pages database in the same manner as listings for Southwestern Bell customers. Auinbauh Aff. ¶¶ 58-59. Facilities-based CLECs may choose to have their customers' names interspersed with those of Southwestern Bell customers in White Pages directories, or listed in a separate section for that CLEC. Id. ¶ 58. The listing options available to CLECs include primary, additional, and foreign listings, as well as enhanced

residential listings such as Signature Listing, Lines of Distinction, and Personality Logos. Id. ¶¶ 60-63. Southwestern Bell's directories currently contain more than 9000 listings for customers of facilities-based CLECs and resellers in Oklahoma, and more than 176,000 listings for CLEC customers in SWBT's five states. Id. Sched. 4.

Southwestern Bell offers to deliver a copy of the White Pages directly to the customers of resellers and, at the option of a facilities-based CLEC, either to the CLEC or directly to its end users. Id. ¶ 57. In addition, CLECs themselves may choose to be included on an informational page listing carrier-specific contact information. Id. ¶ 65. Southwestern Bell also will transmit CLECs' subscriber information to third-party directory publishers. Id. ¶ 66.

5. Checklist Item (ix): Nondiscriminatory Access to Telephone Numbers

When they enroll new customers who have not previously had telephone numbers, or who wish to add a new number or change their number, CLECs will turn to Southwestern Bell for the necessary numbers. Pursuant to section 271(c)(2)(B)(ix), Southwestern Bell meets this demand by providing CLECs with nondiscriminatory access to telephone numbers for assignment to their customers until telecommunications numbering administration guidelines, plans, or rules are established. See Adair Aff. In so doing, Southwestern Bell satisfies checklist item (ix).

As the Central Office Code ("NXX") Administrator for its territory, Southwestern Bell has followed industry-established guidelines published by the Industry Numbering Committee. Id. ¶¶ 10-14. Pursuant to its procedures, as of December 1, 1997, Southwestern Bell had assigned 33 NXX codes for CLECs in Oklahoma, representing 330,000 telephone numbers that

can be used to provide facilities-based service. Id. ¶ 14. Southwestern Bell has assigned 841 NXX codes (or 8.41 million numbers) to CLECs region-wide. Auinbauh Aff. Sched. 4. Southwestern Bell has not turned down any requests for NPA/NXX code assignments in Oklahoma, other than as necessary to implement a nondiscriminatory industry jeopardy plan for number conservation, which was declared for the 405 area code in March 1997. Adair Aff. ¶¶ 15-18. Neither Southwestern Bell nor the OCC has received any complaints about Southwestern Bell's implementation of this jeopardy plan. Id. ¶ 18.

6. Checklist Item (xi): Interim Number Portability

Southwestern Bell also makes available interim number portability ("INP") in accordance with checklist item (xi). INP enables facilities-based carriers to have Southwestern Bell convert the particular facilities and telephone number Southwestern Bell uses to serve a customer to a CLEC that wins over that customer, or else to assign an end-user's existing telephone number to a CLEC that will serve that customer over facilities it has constructed. Southwestern Bell's INP offerings comply with section 271(c)(2)(B)(xi), which requires a Bell company applicant to provide CLECs with INP either through remote call forwarding ("RCF"), direct inward dialing ("DID"), or other comparable arrangements, until the Commission issues regulations to ensure long-term number portability. See also OAC § 165:55-17-17(a) (requiring telecommunications service providers "to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the FCC").

Southwestern Bell offers RCF or DID, at the CLEC's option, on nondiscriminatory rates, terms and conditions. Deere Aff. ¶ 158; see also STC App. PORT. Additional methods may be

requested through the BFR process, although the OCC specifically rejected AT&T's claim that Southwestern Bell should be required to implement Route Index Portability Hub and Directory Number Route Index as additional methods of INP in Oklahoma. Deere Aff. ¶ 170. Pending an OCC ruling establishing a competitively neutral method of recovering Southwestern Bell's costs of providing INP, Southwestern Bell is deferring charges for this service. Id. ¶ 172.

Implementation of INP requires cooperation not only among various departments within Southwestern Bell, but more importantly between Southwestern Bell and the CLEC. If the CLEC is not prepared to execute a cut-over of the right lines at the right time, the process will not proceed as planned by Southwestern Bell and a fully mechanized cut-over would fail. See Auinbauh Aff. ¶¶ 78-79. To address this issue, Southwestern Bell has established the necessary procedures for manual intervention if and when problems arise. See Lowrance Aff. ¶¶ 39-42; see also Auinbauh Aff. ¶¶ 80, 82; Kramer Aff. ¶¶ 16-22. Southwestern Bell also has taken affirmative steps to improve its processes and coordination with CLECs, such as analyzing what worked and did not work in all INP orders and revising its procedures when improvements can be made. Lowrance Aff. ¶ 43-45. As evidence of the success of this approach, as of the end of 1997 Southwestern Bell had successfully ported over 5400 telephone numbers in Oklahoma to CLECs. Auinbauh Aff. Sched. 4. This number reflects the minimum number of customers that are served by facilities-based CLECs in Oklahoma. Throughout its five-state service area, SWBT provisioned nearly 13,000 orders related to INP requests, missing only two due dates for reasons attributable to SWBT. Kramer Aff. ¶ 20; see also Auinbauh Aff. ¶ 82 (all INP orders in month ending January 5, 1998 completed on time without service interruption)

As explained in the Affidavit of Gary A. Fleming, Southwestern Bell has adopted Location Routing Number as its means of implementing long-term number portability. Southwestern Bell has adopted a schedule for implementing this method within the deadlines set by this Commission, under which long-term number portability will be implemented in Oklahoma City by September 30, 1998 and in Tulsa by December 31, 1998. Fleming Aff. ¶ 12. Switch selection has been completed, id. ¶¶ 14-15 & App. A, and Southwestern Bell has taken all appropriate steps — and budgeted the necessary funds — to ensure that FCC requirements are met, id. ¶¶ 15-26. Through the end of 1997, Southwestern Bell had spent approximately \$345 million to implement long-term number portability in the seven states served by SWBT, Pacific Bell, and Nevada Bell. Auinbauh Aff. ¶ 13.

7. Checklist Item (xii): Local Dialing Parity

CLECs would be hampered in competing with Southwestern Bell in Oklahoma if their customers were not able to place calls within a given local calling area by dialing the same number of digits as a Southwestern Bell customer. In satisfaction of checklist item (xii), therefore, Southwestern Bell's STC and OCC-approved interconnection agreements provide all CLECs with nondiscriminatory access to services and information that are necessary to allow local dialing parity. See Deere Aff. ¶¶ 174-177.

The Commission has held "that local dialing parity will be achieved upon implementation of the number portability and interconnection requirements of section 251." Second Report and Order, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, 11 FCC Rcd 19392, 19430, ¶ 71 (1996) ("Dialing Parity

Order”). Consistent with its obligations, Southwestern Bell guarantees that CLEC customers will not have to use access codes or dial any greater number of digits than Southwestern Bell customers to complete the same call. Deere Aff. ¶ 176. Because CLEC central office switches are connected to the trunk side of the Southwestern Bell tandem or central office switch in the same manner as Southwestern Bell’s own central office switches and the switches of other incumbent LECs, CLEC customers do not experience additional dialing delays or requirements. Id.

8. Checklist Item (xiii): Reciprocal Compensation for the Exchange of Local Traffic

Southwestern Bell’s reciprocal compensation arrangements satisfy checklist item (xiii).

It would not be economically viable for a CLEC to operate its own competitive network unless it could have customers’ calls carried over the incumbent’s network at reasonable rates, and receive appropriate credit for the incumbent’s termination of calls on the CLEC’s network. Therefore, section 271(c)(2)(B)(xiii) requires Southwestern Bell to agree, under section 251(d)(2), to just and reasonable terms and conditions that provide for mutual and reciprocal recovery by Southwestern Bell and the CLEC of the costs associated with transporting and terminating calls that originate on the other carrier’s network. See also OAC § 165:55-17-15 (incorporating federal requirement). Southwestern Bell’s rates for transport and termination, as set out in the STC and OCC-approved agreements, such as those with Brooks, Sprint, ICG, USLD, and others, satisfy the conditions of checklist item (xiii). See Brooks Agreement § III; ICG Agreement §§ 5.3.2, 5.3.3; USLD Agreement § III; Sprint Agreement Attach. 12 § 3.0.

Southwestern Bell charges CLECs only for the particular functions actually used by a CLEC when its traffic is carried over Southwestern Bell's network. Auinbauh Aff. ¶¶ 83-87; see also id. ¶¶ 90-91 (discussing compensation for transit service). The "permanent" rates proposed by Southwestern Bell for this usage were derived from TELRIC cost studies as well as a reasonable allocation of forward-looking common cost. See Cleek Aff. ¶¶ 20-22; Moore Aff. ¶¶ 7-41 (discussing cost studies). The OCC will consider these proposed rates and the methodologies used to calculate them in its cost and pricing dockets, although all interested parties have already stipulated to the appropriateness of Southwestern Bell's TELRIC methodologies. Cleek Aff. ¶¶ 20, 23. Pending completion of the OCC's proceedings, Southwestern Bell's STC and OCC-approved interconnection agreements make available to CLECs cost-based rates that were approved under section 252(d) in the OCC's AT&T arbitration decision. These rates are subject to true-up following completion of the OCC's cost and pricing dockets and have been specifically declared to be cost-based by the OCC. Id. ¶¶ 26-31.

Southwestern Bell does not pay or bill local interconnection charges for termination or origination of traffic to Internet and other enhanced service providers because this traffic is jurisdictionally interstate. Auinbauh Aff. ¶ 92. An administrative law judge of the OCC sustained Southwestern Bell's position on this issue in a recent proceeding initiated by Brooks. Id. Nevertheless, this matter is in dispute before the FCC as well, and Southwestern Bell will comply with final orders on this issue, subject to its rights of appeal.

D. The Local Market in Oklahoma Is Open to Carriers that Wish To Use UNEs Obtained from Southwestern Bell, Either Alone or in Conjunction with Existing Competitive Facilities

In its decisions applying section 271, the FCC has placed great weight on CLECs' ability to enter the local market using UNEs obtained from the incumbent Bell company. This, the FCC has said, "is an important entry strategy" that is "integral to achieving Congress' objective of promoting competition in local telecommunications markets." South Carolina Order ¶ 195. CLECs — and particularly the large interexchange carriers — have been far more interested in complaining about incumbent LECs' UNE offerings than in actually entering the market by making use of them. Nevertheless, Southwestern Bell has proceeded even without cooperation from CLECs to design UNE offerings that not only comply with the requirements of the 1996 Act, but also go beyond the Act to give CLECs the UNE options they claim to desire. Perhaps more than any other incumbent LEC, Southwestern Bell has taken the steps necessary to make the "important" entry vehicle of UNE access a reality for CLECs that are truly interested in ordering and using them.

1. Checklist Item (ii): Access to Network Elements

Southwestern Bell provides CLECs nondiscriminatory access to UNEs on an unbundled basis in compliance with the 1996 Act and all applicable FCC rules. See Deere Aff. ¶¶ 38-59. (The methods CLECs may use to combine these UNEs, and Southwestern Bell's offer to combine network elements on behalf of CLECs, are described in Part II(D)(6), infra.) Southwestern Bell's "core" UNEs, available to all CLECs as standard offerings, include the local loop, the network interface device ("NID"), local switching capability, tandem switching

capability, interoffice transmission facilities, signaling networks and call-related databases, OSS functions, and DA and operator services. Deere Aff. ¶ 49. Southwestern Bell will provide additional UNEs upon request, subject to the terms of the BFR process. *Id.* ¶ 56. CLECs' access to Southwestern Bell's OSSs and DA and operator services have been discussed above. Below, we address the core unbundled elements that a carrier with only some preexisting network facilities of its own would want from Southwestern Bell to serve customers on a facilities basis: local loops, interoffice transport, and switching.

In all cases, Southwestern Bell's "permanent" rates for UNEs will be set by the OCC using the same forward-looking methodology as for interconnection offerings. Cleek Aff. ¶ 20. As with rates for interconnection, Southwestern Bell has submitted cost studies to the OCC, and the methodology used in preparing those studies will not be an issue disputed by the parties. *Id.* ¶¶ 22-23. Moreover, the rates currently in effect under Southwestern Bell's STC and various interconnection agreements are subject to true-up following establishment of these "permanent" prices and also have been approved by the OCC as cost-based in accordance with the requirements of section 252(d). *See id.* ¶¶ 26-31.

2. Checklist Item (iv): Local Loops

Southwestern Bell also complies with checklist item (iv), which requires it to make available local loop transmission from the central office to the customer's premises unbundled from local switching or other services. 47 U.S.C. § 271(c)(2)(B)(iv). Standard unbundled local loops available under Southwestern Bell's STC and OCC-approved interconnection agreements are 2-wire analog loops with 8db or 5db loss, 4-wire analog loops, 2-wire ISDN digital grade

lines, and 4-wire DS-1 digital grade line. Deere Aff. ¶ 61. Technical service descriptions of Southwestern Bell's loop offerings are provided in Schedule 14 to the Affidavit of Michael Auinbauh. Additional loop types may be requested through the BFR process. Deere Aff. ¶ 63. In fulfillment of FCC requirements, Southwestern Bell utilizes alternative facilities to offer CLECs access to unbundled loops for the small percentage of end users in Oklahoma who are currently served using integrated digital loop carrier ("IDLC") equipment. Id. ¶¶ 202-204.

In addition to loops themselves, CLECs are able to obtain and use the NID. CLECs may connect to the customer's inside wire at the SWBT NID, as is, at no charge, or they may pay Southwestern Bell to perform repairs, upgrades, disconnects, or rearrangements they desire. Id. ¶ 53. Southwestern Bell will provide and connect a NID at no additional charge when the CLEC orders an unbundled loop. Id. ¶ 54. Southwestern Bell anticipates that CLECs will provide their own NID when serving MDUs, and accordingly will assist CLECs by relocating or rearranging the Southwestern Bell NID to allow access to inside wiring. Id. ¶ 55.

Southwestern Bell also has established procedures for providing CLECs with cross-connects that extend unbundled loops to CLEC collocation cages. Id. ¶ 86. Southwestern Bell offers a number of different 2-wire and 4-wire cross-connects for use with unbundled loops, depending upon the loop type and arrangement selected by the CLEC. These options are discussed in the affidavit of William Deere. Id. ¶¶ 94-113.

Local loops are available in practice to any CLEC that wishes to order them. Southwestern Bell had provisioned 533 unbundled loops in its five-state region as of December 31, 1997, including 79 loops in Oklahoma. Auinbauh Aff. Sched. 4. Southwestern Bell also

installs thousands of cross-connects every day. Deere Aff. ¶ 105. Further, Southwestern Bell has tested (and continues to measure) its ability to process orders and bill for the various loops that its approved agreements and STC make available, ensuring that these transactions flow through Southwestern Bell's systems in a timely and accurate fashion. See Ham Aff. ¶¶ 103-114; Dysart Aff. ¶¶ 93-97.

3. Checklist Item (v): Unbundled Local Transport

Section 271(c)(2)(B)(v) requires Southwestern Bell to offer local transport unbundled from switching or other services. Southwestern Bell's common and dedicated transport offerings in Oklahoma satisfy any possible construction of this checklist item.

Although the matter is pending on appeal, Southwestern Bell makes available common transport between Southwestern Bell central office switches or between a Southwestern Bell tandem switch and a Southwestern Bell central office switch in accordance with the "shared transport" requirements of this Commission's Third Reconsideration Order in Docket No. 96-98.¹⁹ See Deere ¶¶ 64, 66. CLECs choosing common transport have access to the routing tables in Southwestern Bell's switches. Id. ¶ 76.

Southwestern Bell permits a requesting carrier to use common transport to provide interstate exchange access to its customers. CLECs can obtain from Southwestern Bell the usage data needed to bill access charges for originating traffic. Ham Aff. ¶ 113. Current industry

¹⁹ Third Order on Reconsideration and Further Notice of Proposed Rulemaking, Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket Nos. 96-98, 95-185, FCC 97-295 (rel. Aug. 18, 1997), appeal pending sub nom. Southwestern Bell Tel. Co. v. FCC, No. 97-2618 et al (8th Cir. argued Jan. 14, 1998).

technologies do not allow collection of such data for terminating traffic, however. Ham Aff.

¶ 113. Southwestern Bell therefore is constructing a new processing system to assemble this information for CLECs. Id. In the meantime, Southwestern Bell provides requesting CLECs a credit for the amount by which the estimated access charges they otherwise would collect exceed the charges for the unbundled Southwestern Bell facilities the CLEC uses to provide that access. Auinbauh Aff. ¶ 54.

Dedicated transport is available at various transmission speeds between a Southwestern Bell tandem or end office and a CLEC tandem or end office. Deere Aff. ¶¶ 67-68. Cross-connects also are available from Southwestern Bell for use with unbundled dedicated transport. Deere Aff. ¶¶ 107-113. In addition, Southwestern Bell offers use of its Digital Cross-Connect System ("DCS") in conjunction with dedicated transport with the same functionality that Southwestern Bell provides to interexchange carriers. Id. ¶ 69. This service allows CLECs to exchange signals between high-speed digital circuits without returning all of the circuits to analog electrical signals. Id.

4. Checklist Item (vi): Unbundled Local Switching

Southwestern Bell also satisfies section 271(c)(2)(B)(vi), which requires Southwestern Bell to make available to CLECs, whose existing networks may not contain adequate switching capabilities, local switching unbundled from transport, local loops, or other services. See generally Elizondo Aff. ¶¶ 12-13 (describing typical fiber ring architecture). The Commission's rules require further unbundling of local and tandem switching capabilities. 47 C.F.R. § 51.319(c)(2).

Southwestern Bell offers a local switching element that encompasses line-side and trunk-side facilities plus the features, functions, and capabilities of the switch. See Deere Aff. ¶¶ 72-83. This includes, among other things, the connection between a loop termination and a switch line card, id. ¶ 73; the connection between a trunk termination and the trunk card, id. ¶ 74; analog and ISDN basic and primary rate interface trunk ports, id. ¶ 79; all vertical features of the switch, id. ¶ 75; and any technically feasible routing features, such as the ability to route calls to a CLEC's own DA and operator services facilities over CLEC-designated trunks where technically feasible, id. ¶ 77. See also id. ¶¶ 81-82 (discussing customized routing). As confirmation of their practical availability upon request, CLECs have begun to make use of Southwestern Bell's switching facilities. Region-wide, Southwestern Bell currently is furnishing CLECs with 191 unbundled switch ports. Auinbauh Aff. Sched. 4.

5. Checklist Item (x): Nondiscriminatory Access to Databases and Associated Signaling Necessary for Call Routing and Completion

Southwestern Bell satisfies the checklist's requirements for affording CLECs access to signaling and call-related databases as well. When a CLEC purchases unbundled switching from Southwestern Bell, it automatically obtains the same access to Southwestern Bell's signaling network as Southwestern Bell has provided to itself. Deere Aff. ¶ 134. Consistent with the requirements of section 271(c)(2)(B)(x), moreover, Southwestern Bell makes available as a separate offering access to its SS7 signaling links (dedicated transmission paths carrying signaling messages between switches and signaling networks) and signal transfer points (signaling message switches that interconnect signaling links to route signaling messages between switches and databases). CLECs can use this service to furnish SS7-based services to